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இணைப்பு—I.

(. . . . 87 ம் பக்கத்திலுள்ள அடிக்குறிப்பைக் காண்க.)

Honourable Members of the Legislative Assembly,

I wish you all a very Happy New Year. I also wish a year of prosperity for the people of Tamil Nadu.

2. The year 1987 should be an important landmark in the history of the State. The new year began with a note of fulfilment of one of the long-standing assurances of the State Government. In order to alleviate the sufferings of the poor and keeping in mind the Directive Principles of the State Policy contained in the Constitution of India, the Government have prohibited the manufacture, sale and consumption of arrack and toddy from 1st January 1987 onwards. When the new year began, all the toddy and arrack shops throughout the State were closed. Besides as a step towards the rehabilitation of about 30,000 toddy tappers, Government have formulated a scheme in which a cash assistance of Rs. 2,000 each is being given to the erstwhile toddy tappers to enable them to purchase the tools and equipments for tapping of neera and manufacture of palmgur. The new year thus began on a promising note.

3. The day of Pongal this year was also of considerable importance for the people of Tamil Nadu. Most parts of the State were brought together into a communication network by the launching of Kodaikanal T. V. Relay Station. Regional programmes are now available to a large segment of the State's population.

4. The second year of the Seventh Five-Year Plan is coming to a close shortly and I am happy to announce that the plan performance of the State Government has been commendable as in the past. As against an approved outlay of Rs. 1,153 crores for 1986-87, the actual expenditure is expected to be about Rs. 1,200 crores. In order to maintain a similar tempo of economic development, the State will enter into the third year with an outlay of Rs. 1,250 crores. However, the Union Planning Commission has assessed a resource gap of Rs. 86 crores for the State Government to reach this outlay. This has been due to various factors like consecutive droughts, failure of north-east monsoon, revenue depletion owing to the introduction of prohibition, sanction of ex-gratia payment to Government servants and payment of Dearness Allowance on par with the decisions of Government of India. The State Government have already requested the Government of India to

release Rs. 86 crores either in the form of Special Central Assistance or Advance Plan Assistance to enable the State Government to overcome the resource constraints next year and maintain the momentum already generated in plan performance.

5. The major thrust in the plan investment during 1987-88 will be in the power sector which forms the basis for the growth of the economy. In my last address to the State Legislature in January 1986, I had pointed out that the Government are considering steps for augmenting generation capacity through external aid. I am now happy to announce that the Government have finalised an agreement with the Asian Development Bank for the provision of assistance of 150 million dollars to the State Government for setting up the North Madras Thermal Project. In the meantime, power generation capacity in the State is being augmented through various new projects. The first unit of the Mettur Thermal Power Project-I Stage has already been synchronised while the second unit will be commissioned shortly. These two units will have a generation capacity of 420 MW. Similarly, work has also commenced on the Tuticorin Power Project—Third Extension Scheme, which will create a generation capacity of 420 MW. In order to ensure adequate supply of coal to the thermal power stations in Tuticorin, the State-owned Poompuhar Shipping Corporation has deployed its ships for transporting coal from Haldia to Tuticorin. All the three newly acquired ships have been put into operation by the Corporation. It is also proposed to set up a thermal project at Cuddalore with five units, each having a generation capacity of 210 MW in a phased manner. A project report has been sent to the Central Electricity Authority for technical clearance and coal linkage.

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6. The Government are aware that the strategy of lignite–based power generation will play a crucial role in Tamil Nadu in the future years. The State Government will therefore render necessary assistance to the Neyveli Lignite Corporation Limited in its new projects like second expansion of the first mine and excavation of third mine of 11 M. T. per annum which will have matching thermal power generation. The State Government appeal to the Central Government to make this lignite-based power available to Tamil Nadu. Similarly, with a view to harnessing the non-conventional source of energy, the Tamil Nadu Electricity Board has installed 16 Nos. of 55 KW Wind Generators at Mullaikadu in Tuticorin. Four more Wind Generators of the same capacity are under installation in the same place.

7. In my las address to the Legislature, I had pointed out that our endeavour will be to focus our attention on increasing the productivity of the State-owned public sector undertakings. The Government have already initiated several steps in this direction. Honourable Members are aware that the Tamil Nadu Small Industries Corporation (TANSI) has already been restructured. As a further step in the same direction, the Government have decided to restructure the Tamil Nadu Ceramics Limited. The Government are fully aware that public sector undertakings while being economically viable, have a promotional role to play. The Government will therefore continue taking steps to combine the twin objectives of economic viability and promotional commitments of the public sector undertakings.

8. In the industrial sector, important developments have taken place. A programme for modernisation and expansion of Ariyalur Cement Works is already under consideration of the Government. A 100 per cent export-oriented unit, viz., the TAMIN Granites of Tamil Nadu Minerals Limited has been inaugurated at Manali. A scheme for setting up a graphite beneficiation plant at Sivaganga with foreign technology is in the offing. A plant at an estimated cost of Rs. 52 crores is proposed to be set up by Tamil Nadu Magnesite Limited for the manufacture of Special Refractory Brick by using Dead Burnt Magnesite from the Rotary Kiln and high quality Sintered Magnesia from the chemical beneficiation plant. In recent years, non-resident Indians have been showing interest in making investments in Tamil Nadu. The Government will continue to welcome and encourage such investments.

9. As a result of the measures initiated by the State Government, there has also been an impressive growth in small industries sector. The number of small units which have been granted permanent registration has risen to 77,382 by the middle of 1986-87. The investment generated by them has already reached the figure of about Rs. 950 crores by the beginning of the current financial year.

10. The State Government have taken note of the new sugar policy announced by Government of India and efforts are being taken to get maximum number of additional sugar mills in the State. We are optimistic that the response from the Government of India will be positive as it has been in the past. In my last address to the Legislature, I had pointed out that the State Government are pressing the Government of India to set up the X-Ray Film Plant at Udhagamandalam at a cost of Rs. 170 crores. Honourable Members of the Legislative Assembly will be happy to know that the scheme has since been cleared by Govern-

ment of India. I also take this opportunity to thank the Union Government for having cleared the Rs. 600 crores Aromatics Project proposed by the Madras Refineries Limited at Manali. This Project will also facilitate the setting up of a large number of downstream projects. Government of India have also been requested to clear the proposal of Madras Fertilisers Limited to double its capacity and also set up one of the 15 new fertiliser plants in Tamil Nadu during the Seventh Five-Year Plan period.

11. The State Government are also providing major thrust to the Handloom and Textile sectors. Rehabilitation of closed sick mills has been engaging the attention of the Government for quite some time. The State Government nationalised the Somasundaram Spinning Mills in Pasumpon Muthuramalingam district in August 1986. The Government then declared the Bhavani Mills at Coimbatore as a relief undertaking and ensured its reopening in October 1986. The Sri Hari Mills Private Limited was also reopened in October 1986 on a joint management basis with Government assistance. Measures to rehabilitate other closed mills are also under consideration of the Government. As a part of the new textile policy of the Government of India, the State Government have also taken steps to issue registration certificates to all the power looms in the State.

12. The policy of the Government is to protect handloom industry and uplift the socio-economic conditions of the handloom weavers through handloom co-operatives. Out of 5.56 lakh handlooms functioning in the State, as many as 3.84 lakhs have already been brought under the co-operative fold by the end of November 1986. Tamil Nadu has, in fact, already exceeded the national target of 60 per cent coverage of looms set by the Government of India.

13. Agriculture forms a very vital part of our economy. In spite of the unfavourable seasonal conditions prevailing during the last two years, the sustained efforts taken by the Government made it possible to achieve a reasonable level of production and productivity. A "5 Step Approach" is being followed in the current year for achieving the target of minimum increase of 750 kgs. of paddy per hectare over and above the normal production in the samba season. Efforts are being taken for modernising the entire agricultural sector. Increased attention will be paid to attract the farm youths by providing essential training in handling agricultural equipments. A new scheme, viz., Tamil Nadu Women in Agriculture is also being initiated to provide necessary agricultural skills to the women working in agriculture.

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14. It is quite distressing to note that the actual rainfall in the State in the past few years has been far below normal. Consequently, the irrigation potential and the availability of drinking water in the State are on the decline and urgent steps have to be taken to retrieve the situation. The Government are alive to this emerging problem and are continuing their efforts to mitigate the drinking water problem as well as to counter the declining irrigation potential. Substantial allocations for drinking water supply schemes are thus being made as in the past. Under the Minimum Needs Programme, an allocation of Rs. 30 crores has been made in 1986-87 and the same level of allocation will be continued in the coming year also. During each of the years 1986-87 and 1987-88, it has been programmed to complete 2,225 habitations under the Accelerated Rural Water Supply Programme and the Minimum Needs Programme. In addition, 5,339 bore-wells have also been sunk up to December 1986 in order to mitigate the hardship caused by the drought. Besides, it has been planned to complete 14 water supply schemes in the urban areas during each of the years 1986-87 and 1987-88. In order to augment the drinking water supply in Madras City, the Phase II study of the UNDP is also being undertaken. The construction of 90 mld. treatment plant and the enlargement of pumping capacity at Kilpauk Water Works as well as the scheme for extraction of 55 mld. of ground water from Poondi, Kortaliar and Kannigaiper at an estimated cost of Rs. 15 crores are under progress.

15. To overcome the problems arising out of the poor rainfall in the past few years, Government are considering an Integrated Crop Development Scheme with emphasis on sprinkler and drip irrigation, which will facilitate economy in water use. Pilot efforts in introduction of these systems in our State have met with great success. Farmers are willing to accept these modern systems and instal them to increase crop intensity and enhance profitability. To enthuse them further and to maximise the productivity of water, a precious input, Government propose to implement a massive programme of popularising sprinkler and drip irrigation systems. External assistance to the extent required till be sought for implementing this scheme. To enable the small and marginal farmers to get the benefits of this scheme, subsidy and loan assistance will be provided to them. As a further step to streamline the water delivery system at the field level, the Government of India have formulated a scheme called "National Water Management Project" to be implemented with World Bank assistance. It is proposed to include a number of irrigation systems in Tamil Nadu under this scheme to benefit approximately 1,09,149 hectares at an estimated cost of Rs. 58.87 crores.

16. The Governm(nt are also providing subs;antial relief to the agriculturıs s in he S a e. In order to reduce their debt burden, aggrava ed by the successive years of floods and droughts, Government have written off the interest and the penal interest and interest on overdues on agricultural loans as on 31st March 1986. The Government have also granted extension of time for repayment of 50 percent of the outstanding principal from 31st December 1986 to 28th February 1987, in order to enable maximum number of agriculturists to avail of this relief. The relief to the agricul urists under this write off procedure will b of the order of the Rs. 125 crores. This measure will also st engthen the Co-operative structure which was facing heavy incidence of overdues especially at the level of primary agricultural credit societies and primary land development banks. The co-operative movement is also being geared up to benefit the tribal population through LAMP co-operative societies with the objective of providing integrated credit, marketing and other services under one roof. As against 13 societies in 1986, it is expected that at the end of 1987, there will be 17 LAMP co-operative societies. Another step to benefit the agriculturists has been the comprehe sive crop insurance scheme which has been under implementation in the State since 1st April 1985. The scope of this scheme has now been extended to cumbu, cholam, ragi and gingelly crops in the currert financial year.

17. Tamil Nadu has been in the forefront in the realm of welfare schemes. The Chief Minister's Nutritious Meal Programme continues to make positive impact on additional enrolment and in reducing drop-outs in schools. The rate of drop-outs at the primary level has come down from 40 per cent in 1977-78 to 23 per cent in 1984-85. During 1986-87, additional enrolment of students in the age-group 6 to 14 years in schools has been 2.84 lakhs. The State has exceeded the target set under the 20 point programme. The Government have also opened as many as 100 high schools and 79 higher secondary schools during 1986-87. The scheme of free supply of uniforms has given employment to about 40,000 women who have enrolled as members of the tailoring societies, Magalir Mandrams and voluntary institutions. The Government are also encouraging the voluntary agencies to take up income generating schemes with initial minimum financial support from the Government. The rate of food charges for the inmates of the hostels run by the Departments of Adi-Dravid r and Tribal Welfare and Backward Classes has been increased substantially. This will benefit about 80,000 inmates of such hostels.

18. In order to improve the working conditions of child en, provide them with nutrition, education and health protection and to abolish child labour gradually, the Government have started a 3 year pilot project

for Sivakasi area commencing from 1986-87 with Central financial assistance. Another scheme for the benefit of children in the State has been the Integrated Child Development Service Scheme. During the current year, 13 more rural Integrated Child Development Service Projects have started functioning in Pudukkottai district. It is proposed to start 13 more such projects. In order to help the physically-handicapped children and adults, District Rehabilitation Centres have started functioning in Chingleput district covering 2 blocks. This is a pilot project for a period of 5 years and would be extended to other areas based upon its experience and success. For the tribal population, the Integrated Tribal Development Project is being implemented with vigour. While implementing the central scheme to supply subsidised foodgrains in the integrated tribal development blocks, the State Government are also giving additional subsidy on rice and are distributing it at Rs. 1.40 per kg. The distribution of rice and wheat under this scheme benefits 38,000 families.

19. I have already mentioned the positive impact of the Chief Ministers Nutritious Meal Programme in areas like nutrition, education, employment, etc. It is now proposed by the Government to launch an exemplary scheme viz., an Integrated Child Health and Nutrition Programme by integrating the benefits of the on-going Chief Minister's Nutritious Meal Programme and the Tamil Nadu Integrated Nutrition Project which is coming to a close in 1988. The Nutrition and Health services offered under both these programmes will be integrated in the form of a package and will be made available throughout the State to children below 5 years and pregnant mothers. The cost of this project may be approximately Rs. 400 crores. It has already been posed to the concerned Ministries of Government of India and the Union Planning Commission and their response has been found to be quite encouraging. The prospects of soft loan from World Bank and I.D.A. are quite bright for this project.

20. *Foot wear for working mothers and children.*—Honourable Members are aware that this Government have been supplying free textbooks and uniforms to school-going children. **I am happy to announce that the Government propose to introduce a scheme in 1987-88 of free supply of foot-wear to the school-going children and poor working mothers in rural areas. Apart from the poor who are direct beneficiaries under this scheme, it would provide large scale employment opportunities through the revitalisation of the Foot Wear Co-operative Societies employing leather workers and the creation of new societies to cater to the needs of the very large number of beneficiaries.**

21. In my last address to the Legislature, I had announced the intention of the Government to implement the massive housing programme in the State. A beginning in its implementation has already been made. However, a novel approach is now crystallising. The State Government had commissioned a pilot socio-economic and housing survey in Anna district. On the basis of this survey, an innovative scheme has been formulated. The basic thrust under this new approach will be to ensure that the benefits of the investments flow directly to the rural areas, particularly to the poor in these areas. It is now proposed that the financial allocation under the budget for this programme need not be used only for house construction directly, but for financing a large number of co-operative societies decentralised at the taluk and village level which in turn will undertake the production of necessary building materials like bricks, tiles, slaked lime, etc. It is also proposed that the requirement of structural steel may be manufactured either by State-owned units or by various small structural steel shops available in various taluks. A large number of building materials co-operative societies will be formed under this new approach. The financial allocation available in the budget will be used as equity capital for these co-operative societies, which will enable them to borrow from financial institutions and commercial banks on the basis of debt equity ratio of 3 : 1. Thus, against the budget allocation, it would be possible to mobilise substantial resources. The building materials manufactured by these societies will be supplied to the beneficiaries and the individual beneficiaries would be required to contribute their labour in order to put up their new houses or to upgrade the shelter.

22. This scheme will be taken up with cluster approach so that whole villages are covered and improved. It also envisages that there will be co-ordination with other rural development programmes so that simultaneous steps for water-supply, sanitation, environmental improvement and social forestry can be taken up in these areas. This new approach of implementing the massive housing programme will ensure coverage of shelterless population in a specified time frame, generation of large volume of employment in the rural areas, usage of locally available materials and participation of beneficiaries in the construction programme. This new approach has already been taken up with Government of India who have been requested to permit the State Government to utilise the funds allotted under NREP and RLEGP in the manner now envisaged. The Government of India have also been requested to ensure sufficient mobilisation of credit from financial institutions and commercial banks and also to allow concessional rate of interest of 4 per cent on these loans with a moratorium of three years. With this approach, it will be possible to enlarge the coverage of this housing programme substantially in order to achieve our objectives.

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23. While the thrust of the massive housing programme will be in rural areas, the State Government are equally concerned about the problem of housing and development in the urban areas. A new scheme viz., the Tamil Nadu Urban Development Project at a cost of Rs. 428 crores has been sent to Government of India for obtaining World Bank assistance for the implementation of sites and services scheme, slum improvement, transportation, municipal services and technical assistance in Madras, Madurai, Coimbatore, Salem and Tiruchirappalli. Apart from these the existing thrust in housing and urban development will also be continued.

24. For the successful implementation of these programmes, a certain level of popular participation is essential. The democratically elected Local bodies have an important role to play in this venture. As already pointed out in my last address to the Legislature elections to the Municipalities, Panchayat Unions and Panchayats have been held and elected Local self-Government institutions have once again been established in the State. The Government are committed to the ethos of grass root level democracy and rationalisation of the administrative set up.

25. A number of steps have been taken by the Government to make the administration more responsive to the needs of the changing times. The programme of bifurcation of districts is being implemented as already announced by me in my last address to the Legislature. The bifurcation of Tirunelveli district has already taken place and steps are under way for the bifurcation of the North Arcot district. A special thrust has been given to the development of modern management information system at the Government level in order to effectively monitor and supervise the implementation of various developmental programmes. At the Secretariat level, information has been codified and a permanent data base has been created to facilitate this procedure. It is proposed to avail of the facilities offered by the National Informatics Centre to set up a Computer Net Work for storage, retrieval and speedy transmission of essential information relating to the developmental activities in the various sectors of the economy. This will facilitate better monitoring and follow-up action of plan projects.

26. Redress of public grievances is also an important function of a responsive administration. The procedures for redress of public grievances and the monitoring of such redress are being simplified. A cell to attend to the public grievances is proposed to be formed. A pensioners Grievances Cell has already been constituted at the Secretariat. Similar efforts are also being taken up at the district level.

27. All these efforts can yield the desired results in an atmosphere of peace and tranquility. The Government have been maintaining law and order effectively. There is, however, one basic problem which may come in the way of the efforts of this Government to implement its various developmental programmes. The State has been suffering from successive years of natural calamities in the recent past and according to the present trend the State may face a severe drought in the coming year also. However, the State Government are geared up to meet the challenge. In the current year, the drought situation in the State was tackled with earnest vigour. In twelve districts which had distress conditions relief measures were undertaken. A memorandum for drought assistance of Rs. 310 crores was submitted to Government of India. Although the Government of India approved a ceiling of expenditure at Rs. 31.77 crores for drought relief works during 1986-87, the State Government have in fact spent much more i.e., Rs. 105.40 crores on drinking water-supply, employment generation and other drought relief schemes.

28. Anticipating severe drought in the next year the State Government have drawn up an immediate contingency plan to the tune of Rs. 28 crores. The Government have also approved the sinking of 8,625 bore-wells to tide over the situation. For Madras City, several contingency measures are also being initiated to face the declining water storage in Poondi, Sholavaram and Red Hills lakes. Action is being taken to conserve the available surface water and increase the drawal of ground water by sinking more borewells in the aquifers outside Madras. The Government have sanctioned special measures costing Rs. 163 lakhs for Madras City which include pumping out the dead storage water from Sholavaram and Red Hills lakes, rejuvenation of 14 borewells and sinking 16 new borewells and providing them with new pumpsets, renovation of over 600 filter point tubewells and 226 India Mark II hand pumps, sinking 1,500 new filter point tubewells, drilling 120 borewells and fixing India Mark II hand pumps. In addition, the scheme for pumping additional 12 mgd. of ground water for Madras City at a cost of Rs. 15 crores is also being accelerated.

29. The State Government will take all possible steps not only to face the drought situation but also to ensure that it does not affect the other development programmes. As a further step in the same direction, this Government have already appealed to the Union Government to sanction various projects costing Rs. 2,000 crores. In addition to the World Bank assistance sought for Nutrition-*cum*-Health programme and the Government of India assistance for the massive housing scheme, the State Government are drawing up a Rs. 800 crores scheme for metropolitan improvement, Rs. 400 crores scheme for modernisation of Irri-

gation tanks and restoring them to the original standards and a Rs. 140 crores scheme for environmental improvemnet through developing the city water ways. The Government of India have also been requested to step up their allocation for various central projects in Tamil Nadu like the Mass Rapid Transit System, Karur-Dindigul-Tuticorin Broadgauge Project, Third Mine cut at Neyveli, Sethu Samuthram project and development of Cuddalore Port. It is also expected that the Government of India will clear many of these projects and programmes in order to give a fillip to the economy of the State in the form of additionality to the total investment in the State.

30. Last but not the least, the State Government continue to be concerned about the ethnic problem in Sri Lanka. The reported massacres and killing s taking place in Sri Lanka are causing acute agony to the State Government. It is a matter of great concern that an amicable settlement to the ethnic problem of Sri Lanka has not yet been found. The State Government have been associating themselves with the Government of India in their efforts to find a lasting and acceptable solution for the Sri Lanka problem and hope that the 1.25 lakh Sri Lanka refugees will be able to return to their country in safety and with honour.

31. Despite these problems, I am confident that the State is poised for an era of prosperity and growth, thanks to the sincere efforts of the State Government. I take this opportunity to seek your co-operation in all these efforts. Vanakkam.

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